

FISCAL IMPACT STATEMENT ON BILL NO. **S. 449**

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TO:	The Honorable Greg Ryberg, Chairman, Senate Transportation Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Rodney Grizzle, Ken Brown and Torina Wood		
DATE:	April 10, 2007	SBD:	2007276

AUTHOR:	Senator Martin	PRIMARY CODE CITE:	56-1-85
SUBJECT:	REAL ID Act		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

BILL SUMMARY:

Senate Bill 449 amends Chapter 1, Title 56 of the Code of Laws of South Carolina, 1976, by adding Section 56-1-85 which provides that the State of South Carolina will not participate in the implementation of the REAL ID Act until certain criteria are met by the Federal Government.

EXPLANATION OF IMPACT:

Department of Motor Vehicles (DMV)

DMV indicates implementation of the REAL ID Act would result in initial startup costs of approximately \$28,000,000 for systems integration and hardware acquisition in order to meet the specific criteria outlined in the Federal Act. Once the system is fully operational there will be a recurring cost of approximately \$11,000,000 annually. Federal funding to the States to help defray the cost of implementation has yet to be determined. However, since DMV is funded through Other Funds, the agency would likely require State General Funds for any costs not covered by federal funds if this Bill is not enacted.

Other Agencies

The Department of Social Services and the Department of Health and Human Services indicate that this Bill would have no impact on the General Fund of the State or Federal and/or Other Funds.

SPECIAL NOTES:

The Department indicates delayed implementation of the REAL ID Act would likely result in individual citizens having to purchase a federally issued identification (i.e. Passport) in order to, among other things, enter a Federal building or board a commercial flight.

Approved by:



Harry Bell
Assistant Director, Office of State Budget